

CONNECTICUT ALTERNATIVE FUEL VEHICLE INCENTIVES AND LAWS



Connecticut is the proud home of five Clean Cities:

New Haven
New London
Norwalk

Norwich
Waterbury

Overview

Connecticut has a number of tax incentives to encourage the use of alternative fuel vehicles (AFVs). Corporations in Connecticut are eligible for tax credits for 50% of conversion costs of vehicles to compressed natural gas (CNG), liquefied petroleum gas (LPG), liquefied natural gas (LNG), or electricity, or for construction costs of AFV filling stations. Several Connecticut utilities are actively supporting the use of AFVs, and several of the natural gas utilities will offer cash or other incentives for vehicle purchases or conversions on a project-specific basis.

Highlights

- \$ 50% state corporate tax credit for the cost to convert a vehicle to CNG, LNG, LPG, and electricity. The tax credit also extends to the cost to install and purchase a CNG, LNG, or LPG fueling facility.
- \$ 50% state corporate tax credit for the incremental cost to purchase a vehicle that runs on CNG, LNG, LPG, or electricity for natural gas fueling equipment or the incremental cost of a new vehicle powered by natural gas or electricity.

State Incentives

- \$ Amounts spent to convert motor vehicles to be fueled by CNG, LPG, LNG, or electricity are eligible for a 50% investment tax credit. This credit is effective through January 1, 1999.
- \$ Amounts spent on the construction of any filling station to provide CNG, LNG, or LPG are eligible for a 50% state investment tax credit. This credit is effective through January 1, 1999.

For more information about Connecticut AFV tax incentives, contact Mike Tucchio at the Connecticut Clean Transportation Association at (203) 739-0663.

Utilities/Private Incentives

Connecticut Natural Gas will assist fleet operators with natural gas vehicle (NGV) purchases, conversions, and refueling station construction. Funding decisions are made on a project-specific basis. Connecticut Natural Gas has a NGV refueling station with Texaco and plans to open another with Exxon. Please address any inquiries to Peter Casarella at (860) 727-3264.

Northeast Utilities will assist customers with questions about electric vehicle (EV) incentives and operation. Please contact Charlie King at (860) 665-2881.

Norwich Department of Public Utilities will assist customers with questions about CNG and EV incentives and operation. For more information, contact Richard Dufour at (860) 823-4143.

South Norwalk Electric Works will assist customers with questions about EV incentives and operation. Please contact Anne Griesmer at (203) 866-3366.

Southern Connecticut Gas Co. provides advisory assistance for station construction and/or vehicle conversions. Contact Joe Crocco, Manager, Market Development, at (203) 795-7616 for additional information.

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Utilities/Private Incentives (cont.)

United Illuminating will assist customers with questions about EV incentives and operations. Please contact Paul Grey at (203) 499-3686.

Yankee Gas Service Company will help customers convert their fleets to run on natural gas by offering financial incentives on a case-by-case basis. Engineering assistance is available for station construction within and outside of Yankee Gas Service Company's service territory. Yankee Gas has partnered with trade allies to open public refueling stations in Windsor Locks, Norwalk, and Meriden. Contact Thomas Marano at (203) 639-4419 for additional information.

Laws & Regulations

Public Act 96-183 revised General Statutes Section 12-458f to eliminate the state motor fuel tax for CNG, LNG, and LPG until July 1, 1999.

For customers with nine or less vehicles in their fleet, payment of the Connecticut Motor Fuel Tax is at parity with other fuels (18¢ per gallon) rather than the gasoline tax. This provision is effective October 1, 1995.

Connecticut offers exemptions from the Connecticut Sales and Use Tax for all equipment and labor involved in the conversion of motor vehicles to operate on natural gas or electricity, and all of the associated equipment and labor to build fueling stations and electric recharging stations.

Connecticut offers exemptions from the Sales and Use Tax on the "incremental cost" difference between the purchase price of a vehicle powered by a clean alternative fuel and the manufacturers' suggested retail price of a comparably equipped vehicle which is not so powered.

Public Act 93-199 authorizes the Connecticut Development Authority to provide up to \$200,000 per year in loans or lines of credit from the business environmental clean-up revolving loan fund to businesses which convert motor vehicles to operate on a clean-burning alternative fuel. Businesses which convert vehicles to operate on a clean alternative fuel may qualify for loans and lines of credit for working capital and/or development capital.

Public Act 94-170 requires that any state emission reduction credits program must include all eligible vehicle conversions, even if the conversion took place before the credit program began. Vehicles which are eligible for AFV tax credits will also qualify for mobile emission credits as adopted by the Commissioner of Environmental Protection.

Public Act 94-101 states that natural gas sold as a motor fuel by the public utilities companies is exempt from the gross earnings tax on the sale of petroleum products. Effective July 1, 1994 through January 1, 2000.

Connecticut has adopted the California exhaust emissions specifications and the Ozone Transportation Coalition's low emission vehicle (LEV) program with the Advanced Technology component.

Public Act 92-188 provides a sales tax exemption to businesses or individuals for the purchase of a new electric vehicle (EV) or equipment to convert a vehicle to electricity.

Public Act 93-37 requires the state government to use clean fuel alternatives to gasoline in state owned vehicles. Clean fuel alternatives are those defined by the Federal Clean Air Act Amendments of 1990 (CAAA). This law was enacted to facilitate compliance with the CAAA and the Energy Policy Act of 1992 (EPACT).

The state provides a 1¢/gallon excise tax exemption for 10 volume percent ethanol (E10), or methanol blends sold in the state, through January 1, 1997.

CONNECTICUT ALTERNATIVE FUEL VEHICLE INCENTIVES AND LAWS

Points of Contact

New Haven Clean Cities Coordinators

Ginna Crosby (860) 561-1260
GLD Associates

Brian McGrath (203) 946-8057
City of New Haven

New London Clean Cities Coordinator

Peter Gillespie (860) 447-5203
City of New London

Norwalk Clean Cities Coordinator

Vacant (203) 854-7892
City of Norwalk

Norwich Clean Cities Coordinator

Carol Butler (203) 630-1856
CBM Associates

Waterbury Clean Cities Coordinator

Gregory Zupkus (203) 574-6712
City of Waterbury

Connecticut Clean Transportation Association

Mike Tuccio (203) 739-0663

Connecticut Natural Gas

Peter Casarella (860) 727-3264

Northeast Utilities

Charlie King (860) 665-2881

Norwich Department of Public Utilities

Richard Dufour (860) 823-4143

Southern Connecticut Gas Company

Joe Crocco (203) 795-7616

United Illuminating

Paul Grey (203) 499-3686

South Norwalk Electric Works

Anne Griesmer (203) 866-3366

Yankee Gas Service Company

Tom Marano (203) 639-4419

Metropolitan Planning Organizations

Central Connecticut Regional Planning Agency

Barbara Hackney (860) 589-7820

Capitol Region Council of Governments

Fran McMahon (860) 522-2217

Southeastern Connecticut Council of Governments

Richard Guggenheim (860) 889-2324

Valley Regional Planning Agency/Valley Council of Governments

Richard Eigen (203) 735-8688

Mid-State Regional Planning Agency

Michael Chong (860) 347-7214

South Central Regional Council of Governments

Herbert Burstein (203) 234-7555

Greater Bridgeport/Valley Metropolitan Planning Organization

James Wang (203) 366-5405
Mark Nielsen (203) 366-5405

Council of Government of the Central Naugatuck Valley

Peter Dorpalen (203) 757-0535

Housatonic Valley Council of Elected Officials

J. David Hannon (203) 775-6256

Southwestern Regional Planning Agency

Sue Prosi (203) 866-5543

Connecticut State Transportation Contact

Bill Messner (860) 566-4629

Connecticut State Energy Office

Cathy Curtis (860) 418-6242

U.S. Department of Energy Regional Support Office

Boston Regional Support Office
Noel Clay (617) 565-9716

U.S. Department of Transportation Contacts

Federal Highway Administration

Region 1
Alicia Nolan (518) 431-4224
extension 236

Federal Transit Administration

Region 1
Max Vigil (617) 494-2055

General Services Administration Regional Fleet Manager

Region 1
Brian Smith (212) 264-3930

U.S. Environmental Protection Agency Regional Pollution Prevention Coordinators

Region 1
Abby Swaine (617) 565-4523
Mark Mahoney (617) 565-1155